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PROPOSED DECISION

Agenda ID #14737 Quasi-Legislative

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Decision		
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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking into Policies to	
Promote a Partnership Framework between Energy]
Investor Owned Utilities and the Water Sector to	(F
Promote Water-Energy Nexus Programs.	

Rulemaking 13-12-011 (Filed December 19, 2013)

DECISION GRANTING COMPENSATION TO NATURAL RESOURCES DEFENSE COUNCIL FOR SUBSTANTIAL CONTRIBUTION TO DECISION 15-09-023

Intervenor: Natural Resources Defense Council (NRDC)	For contribution to Decision 15-09-023
Claimed: \$42,202.25 ¹	Awarded: \$40,292.50 (reduced 4.5%)
Assigned Commissioner: Catherine J.K. Sandoval	Assigned ALJ: ALJ Division ²

PART I: PROCEDURAL ISSUES

A. Brief description of Decision:	This decision adopts two calculator tools (the	
_	Water-Energy Calculator and the Avoided Water	
	Capacity Cost Model) for use by energy efficiency	
	Program Administrators (PAs) to fund measures and	
	programs that reduce water use and thus save	
	embedded energy. Commission-jurisdictional water	
	utilities may also use these tools for requesting	
	customer funds for water-saving measures and	
	programs. Additionally, the decision instructs Class	
	A and B water corporations to provide energy	
	intensity data for replacing the default values in the	
	calculator tools to Commission Staff within	
	120 days. The decision also establishes future	
	workshop(s) related to advanced meter infrastructure	
	(AMI) integration pilots.	

¹ In the original request, NRDC listed its total claimed amount as \$32,442.25. However, after reviewing NRDC's timesheets and computation we found mathematical errors. As such, we have reflected the correct amount claimed as \$42,202.25.

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² This proceeding was previously assigned to ALJ Edmister, who has since left the Commission.

B. Intervenor must satisfy intervenor compensation requirements set forth in Pub. Util. Code §§ 1801-1812:

	Intervenor	CPUC Verified		
Timely filing of notice of intent to claim compensation (NOI) (§ 1804(a)):				
1. Date of Prehearing Conference (PHC):	February 11, 2014	February 11, 2014		
2. Other specified date for NOI:	n/a			
3. Date NOI filed:	March 13, 2014	March 13, 2014		
4. Was the NOI timely filed?		Yes.		
Showing of customer or custom	mer-related status (§ 1802	2(b)):		
Based on ALJ ruling issued in proceeding number:	R.09-08-009	R.13-12-011		
6. Date of ALJ ruling:	January 28, 2010	July 29, 2014		
7. Based on another CPUC determination (specify):	n/a			
8. Has the Intervenor demonstrated customer or o	Yes.			
Showing of "significant fina	ncial hardship" (§ 1802(g	g)):		
Based on ALJ ruling issued in proceeding number:	R.14-07-002	R.13-12-011		
10. Date of ALJ ruling:	December 18, 2014	July 29, 2014		
11. Based on another CPUC determination (specify):	n/a			
12. Has the Intervenor demonstrated significant fi	nancial hardship?	Yes		
Timely request for compensation (§ 1804(c)):				
13. Identify Final Decision:	D.15-09-023	D.15-09-023		
14. Date of issuance of Final Order or Decision:	September 25, 2015	September 25, 2015		
15. File date of compensation request: 11/24/15		11/24/15		
16. Was the request for compensation timely?	Yes.			

C. Additional Comments on Part I:

#	Intervenor's Comment(s)	CPUC Discussion
		An ALJ Ruling on NRDC's NOI was issued 7/29/14, accepting NRDC's eligibility for intervenor compensation in the current proceeding. Thus, NRDC's showing of

	customer status and significant financial
	hardship is accepted.

PART II: SUBSTANTIAL CONTRIBUTION

A. Did the Intervenor substantially contribute to the final decision (see § 1802(i), § 1803(a), and D.98-04-059).

Intervenor's Claimed Contribution(s)	Specific References to Intervenor's Claimed Contribution(s)	CPUC Discussion
1. (B) Data assumptions in calculator tools	The April 25, 2014 workshop report (p. 6) established marginal supplies for the hydrological regions that were overly speculative and that did not distinguish between the short-term and long-term. NRDC identified this issue for the Commission, and the final water-energy calculator tool established recycled water as the long-term marginal supply for all regions.	Accepted.
	o NRDC Comments at p.3 (8/15/14)	
	o NRDC Comments at p.2 (9/19/14)	
	 Water-Energy Cost Effectiveness Analysis Final Report at p.19 (10/7/14) 	
	o NRDC Comments on Proposed Decision at p.4 (9/8/15)	
	o D.15-09-023 at pp. 25-26, 70.	
	NRDC recommended that the Commission establish a resource balance year (RBY) in the future that sufficiently recognizes that marginal water supplies may not be needed immediately.	
	o NRDC Comments at p.3 (8/15/14)	
	o NRDC Comments at p.2 (9/19/14)	
	o NRDC Comments at pp.5-6 (6/10/15)	
	o NRDC Comments on Proposed	

	Decision at p.3 (9/8/15)	
	 The Commission acknowledged NRDC's advocacy on this issue (D.15-09-023 at p.26) 	
2. (C) Functionality of calculator tools	• Early versions of the water-energy calculator lacked the functionality to set a RBY. Based on NRDC's advocacy, this functionality was added to the tool and simplifying the process for changing the RBY will be considered in future revisions to the tools.	Accepted.
	NRDC Comments at p.3 (8/15/14)	
	 NRDC Comments at p.2 (9/19/14) 	
	 Water-Energy Cost Effectiveness Analysis Final Report at p.19 (10/7/14) 	
	 Water-Energy Cost Effectiveness Analysis Final report at pp. 41-42 (4/2015) 	
	 NRDC Comments on Proposed Decision at p. 3 (9/08/15) 	
	o D.15-09-023 at p.27	
	NRDC recommended that the calculator tools remain flexible so that changes to default values can be made when sufficient data exists.	
	 NRDC Comments at pp.3-4 (8/15/14) 	
	 NRDC Comments at pp.6-8 (6/10/15) 	
	 The final calculators allow users to override default values (D.15-09-023 at p.24) 	
3. (D) Adoption of calculator tools	NRDC recommended that the Commission only account for the energy used to convey water from carry-over storage in future updates to the calculator tools.	Accepted.
	 NRDC Comments at pp.8-9 (6/10/15) 	

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	 NRDC Comments on Proposed Decision at pp. 5-7 (9/8/15) 	
	o NRDC Reply Comments at p.3 (9/14/15)	
	 The Commission agreed this issue is worthy of consideration for future iterations of the tools (D.15-09-023 at p.17) 	
	 NRDC urged the Commission to provide direction on when default values in the calculators can be overridden. 	
	 NRDC Comments at p.10 (6/10/15) 	
	 The Commission established that the burden of proof rests with PAs per existing rules (D.15-09-023 at pp.43-44, 72) 	
	• NRDC urged the Commission to finalize the calculator tools for use beginning in 2016.	
	 NRDC Comments at p.3 (6/10/15) 	
	 NRDC Comments on Proposed Decision at p.2 (9/8/15) 	
	 The Commission adopted the use of the tools for 2016 and beyond (D.15-09-023 at p.65) 	
	 NRDC recommended that the Commission in future tool updates improve the users' guide and incorporate gas energy intensity and water commodity cost values. 	
	 NRDC Comments at pp.10-11 (6/10/15) 	
	 The Commission identified these topics as possible future changes for the calculator tools (D.15-09-023 at pp.63-64) 	
4. (E) Cost allocation	NRDC recommended that costs be allocated proportionally to benefits and that water-energy savings measures be	Accepted.

approved as long as the overall portfolio is cost-effective.	
o NRDC Comments at pp.11-14 (6/10/15)	
 NRDC Comments on the Proposed Decision at p.8 (9/8/15) 	
o The Commission adopted our recommendations (D.15-09-023 at pp.71-72)	

B. Duplication of Effort (§ 1801.3(f) and § 1802.5):

		Intervenor's Assertion	CPUC Discussion
a.	Was the Office of Ratepayer Advocates (ORA) a party to the proceeding? ³	Yes	Accepted.
b.	Were there other parties to the proceeding with positions similar to yours?	Yes	Accepted.
c.	. If so, provide name of other parties:		Accepted.
	Office of Ratepayer Advocates (ORA), Pacific Gas and Electric (PG&E), Southern California Gas Company and San Diego Gas and Electric Company, California Water Association (CWA), Irvine Ranch Water District (IRWD), Association of California Water Agencies (ACWA), California Municipal Utilities Association (CMUA)		
d.	l. Intervenor's claim of non-duplication:		Accepted.
	The aforementioned parties' positions on certain issues were similar to NRDC's position; however, no party had the exact same position as NRDC on all issues in particular as NRDC is the primary environmental organization that advocates on behalf of its members across California. Furthermore, NRDC's advocacy was not duplicative as we collaborated informally with other parties to work out differences and find areas of commonality prior to participating in workshops or filing formal comments. In addition, NRDC took steps to ensure no duplication of work within our organization by assigning specific issues, tasks, and workshops/meetings to one team member when possible.		

³ The Division of Ratepayer Advocates was renamed the Office of Ratepayer Advocates effective September 26, 2013, pursuant to Senate Bill No. 96 (Budget Act of 2013: public resources), which was approved by the Governor on September 26, 2013.

PART III: REASONABLENESS OF REQUESTED COMPENSATION

A. General Claim of Reasonableness (§ 1801 and § 1806):

a. Intervenor's claim of cost reasonableness: NRDC consistently advocates for policies that preserve environmental quality	CPUC Discussion
while minimizing the societal costs of providing electric service through energy efficiency, renewable resources, and other cost effective alternative energy resources. NRDC's continued focus in this and other proceedings is on policies that ensure a reliable, affordable, and environmentally sustainable energy resource portfolio that should have lasting benefits to customers. NRDC contributed substantially toward the development of calculator tools to evaluate the value of energy and water efficiency measures that save energy and water simultaneously; identified necessary future updates to the tools; and provided valuable input into the cost allocation issues identified by the Commission in this proceeding.	Accepted.
b. Reasonableness of hours claimed:	Accepted.
The rates requested by NRDC are purposefully conservative and low on the ranges approved by the Commission, even though the levels of expertise would justify higher rates. NRDC maintained detailed time records indicating the number of hours that were devoted to proceeding activities. All hours represent only substantive work related to this proceeding.	
c. Allocation of hours by issue:	Verified.
A (General) = 37% B (Data assumptions in calculator tools) = 23% C (Functionality of calculator tools) = 17% D (Application of calculator tools) = 11% E (Cost effectiveness) = 12%	

B. Specific Claim:*

	CLAIMED						PUC Aw	ARD
	ATTORNEY, EXPERT, AND ADVOCAT							
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours	Rate \$	Total \$
E. Osann	2014	20.25	\$280	D1502020	5,670.00	20.25	\$280	\$5,670.00
E. Osann	2015	28.00	\$280	D1502020	7,840.00	23.75	\$280	\$6,650.00
B. Chou	2014	17.00	\$180	ALJ Res- 308	3,060.00	17	\$180	\$3,060.00
B. Chou	2015	30.75	\$180	ALJ Res- 308	5,535.00	26.75	\$180	\$4,815.00
F. Kaser	2014	13.50	\$190	ALJ Res-	2,565.00	13.5	\$190	\$2,565.00

	1		1					1	
					308				
H. Haue	enstein	2015	15.00	\$185	ALJ Res- 308	2,775.00	15.0	\$185	\$2,775.00
D. U	rigwe	2015	71.00	\$140	ALJ Res- 308	9,940.00	71	\$140	\$9,940.00
					Subtotal: \$	37,385.00 ⁴		Subtotal:	\$35,475.00
					OTHER FEE	S			
	Describe	e here w	hat OTHE	R HOURL	Y FEES you a	are Claiming	(paralega	l, travel **	, etc.):
	Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours	Rate	Total \$
E. Os Trav	el LA-	2014	6	140.00	D1502020	840.00	6	\$140	\$840.00
E. Os Trav	sann el LA-SF	2015	3	140.00	D1502020	420.00	3	\$140	\$420.00
E. Os Trav	sann el SF-DC	2015	7	140.00	D1502020	980.00	7	\$140	\$980.00
B. Cl Trave SF-L	el LA-	2014	6	90.00	ALJ Res-308	540.00	6	\$90	\$540.00
					Subtotal	: \$2,780.00		Subtotal	: \$2,780.00
		INTE	ERVENO	R COMPE	ENSATION C	LAIM PRE	PARATIO	N **	
	Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours	Rate	Total \$
E. Os	sann	2015	2.0	140.00	D1502020	280.00	2	\$140	\$280.00
B. Ch	nou	2015	6.0	90.00	ALJ Res-308	3 540.00	6	\$90	\$540.00
		•			Subtota	1: \$820.00 ⁵		Subto	tal: \$820.00
					COSTS				
#	Ite	m		Detail		Amount		Amount	·
1	B. Chou from LA LA (8/13	-SF-	light Travel for 8/13 CPUC workshop		JC	\$283.20			\$283.20
2	E. Osanı LAX (4/		Travel for CPUC meeting/workshop			\$43.75	\$43.75		\$43.75
3 E. Osann flight Airfare			\$336.00			\$336.00			

⁴ In its original request, NRDC listed this subtotal as \$27,445.00 However, in reviewing NRDC's timesheets, there was a definite calculation error. As such we have corrected the subtotal to reflect NRDC's submitted timesheets.

⁵ NRDC's original request for claim preparation was \$1,000. We revised the amount to \$820 to correct for a calculation error.

8	E. Osann travel	Travel back to DC office after CPUC workshop and	\$308.50	\$308.50
7	E. Osann cab from hotel to CPUC (5/4/15)	Travel to CPUC cost allocation workshop	\$8.00	\$8.00
6	E. Osann flight from LA-SF	Flight for May 4 th CPUC workshop	\$212.00	\$212.00
5	E. Osann cab from hotel to CPUC (4/25/14)	Travel to CPUC workshop	\$8.80	\$8.80
4	E. Osann BART travel from SF airport to hotel (4/24/14)	Travel to hotel	\$17.00	\$17.25 ⁶
	LA-SF-LA (4/24/14)			

^{**}We remind all intervenors that Commission staff may audit their records related to the award and that intervenors must make and retain adequate accounting and other documentation to support all claims for intervenor compensation. Intervenor's records should identify specific issues for which it seeks compensation, the actual time spent by each employee or consultant, the applicable hourly rates, fees paid to consultants and any other costs for which compensation was claimed. The records pertaining to an award of compensation shall be retained for at least three years from the date of the final decision making the award.

^{**}Travel and Reasonable Claim preparation time typically compensated at $\frac{1}{2}$ of preparer's normal hourly rate

⁶ We compensate Osann's cost per the receipt provided, of \$17.25.

⁷ The amount of NRDC's total request was corrected for computational errors.

	ATTORNEY INFORMATION			
Attorney	Date Admitted to CA BAR ⁸	Member Number	Actions Affecting Eligibility (Yes/No?) If "Yes", attach explanation	
n/a	n/a	n/a	n/a	

C. Attachments Documenting Specific Claim and Comments on Part III:

Attachment or Comment #	Description/Comment
Comment 1	Ed Osann's 2014/2015 Rate Rationale: We request a 2014 and 2015 rate of \$280 for Ed Osann, which was awarded in 2012 per D.15-02-020.
Comment 2	Ben Chou's 2014 and 2015 Rate Rationale: We request a rate of \$180 for work done in 2014 and 2015 consistent with ALJ Res 308 (p.4) static rates over that time period. Mr. Chou has eight years of experience working on water policy and has been an analyst at NRDC for almost five years. Similar to a recent NRDC claim for M. Borgeson in R.14-10-003 (who also has 8 years of experience), we request a rate of \$180, which is at the low end of experts with 7-12 years of experience per Resolution ALJ-308 (p.4). Mr. Chou holds a Master's degree in climate change studies from Columbia University and a Bachelor's degree in geography from the University of South Carolina.
Comment 3	Forest Kaser's 2014 Rate Rationale: We request a rate of \$190 for Mr. Kaser. Mr. Kaser has ten years of experience in research, analysis and program management related to energy and environmental systems. His most recent role at Energy Solutions was as a Senior Project Manager leading both analytical and implementation-focused projects aimed at identifying and capturing energy, peak demand, and water savings opportunities. Mr. Kaser holds Master's degrees in Microbiology and Energy & Resources from the University of California, Berkeley, as well as a Bachelor's degree in Biology from Reed College. \$190 is still within the low-end of the middle range of ALJ Res-308 (p.4) for experts with 7-12 years of experience. This is also in line with other experts in this range.
Comment 4	Heidi Hauenstein's 2014/2015 Rate Rationale: We request a rate of \$185 for Ms. Hauenstein's 2014 and 2015 work. She has nine years of experience working on water and energy related projects. She is currently a Senior Project Manager at Energy Solutions where she has managed technical, economic, and political analysis for water and energy related codes and standards team projects for over five years. She holds a Bachelor's degree in

⁸ This information may be obtained through the State Bar of California's website at http://members.calbar.ca.gov/fal/MemberSearch/QuickSearch.

	Environmental Engineering from Tufts University. This request falls between our request for B. Chou, who has 8 years of experience, and our request for F. Kaser, who has 10 years of experience.
Comment 5	Daniel Urigwe's 2015 Rate Rationale: We request a rate of \$140 for Ms. Urigwe, which is at the low end of the rate range for experts with 0-6 years of experience. Ms. Urigwe has served as a Project Manager at Energy Solutions since mid-2014, where she supports programs and policies which result in large-scale, timely energy and water savings. She holds a Master's degree in Civil and Environmental Engineering with an emphasis in Atmosphere & Energy from Stanford University, as well as a Bachelor's degree in Environmental Engineering also from Stanford University.
Attachment 1	Staff and Consultant Hours
Attachment 2	Staff receipts
Attachment 3	Ben Chou's resume
Attachment 4	Forest Kaser's resume
Attachment 5	Heidi Hauenstein's resume
Attachment 6	Daniela Urigwe's resume

D. CPUC Disallowances and Adjustments:

Item	Reason
Ed Osann's rate	We apply the hourly rate of \$280, the rate requested by NRDC, for Osann's work in 2014 and 2015. Osann was authorized a rate of \$280 in D.15-02-020 for his 2012 rate.
Ben Chou's 2014 and 2015 Rate	We apply an hourly rate of \$180 for Chou's work in 2014 and 2015, granting the rate requested by NRDC. Chou has eight years of experience, and the rate of \$180 falls within the low end of the \$170-285 range for experts with 7-12 years experiences.
Forest Kaser's 2014 Rate	We authorize an hourly rate of \$190 for Kaser's work in 2014. Kaser has 10 years of experience, and the requested rate falls within the \$170-285 rate range for experts with 7-12 years of experience.
Heidi Haunstein's 2014 and 2015 Rate	We authorize an hourly rate of \$185 for Hauenstein's 2014 and 2015 work. The rate is commensurate with her nine years of experience in energy and water projects, and her role managing technical, economic, and political analysis. The rate range for experts with 7-12 years of experience is \$170-285.
Daniela Urigwe's 2015 Rate	We authorize a 2015 rate of \$140 for Urigwe, requested by NRDC. The rate is reasonable given the rate range for experts with 0-6 years of experience, \$140-200.
Disallowances for	We disallow hours claimed for both Chou and Osann for a

excessive time claimed for	coordination meeting on 5/1/15 with other parties to the OIR
coordination	(ORA, PG&E, SDG&E, SCG, SCE, MWD, CMUA, CWA,
	ACWA, IRWD). Osann claimed 5.25 hours and Chou 5.0 hours.
	We reduce the hours claimed, allowing each Osann and Chou
	one hour for the meeting.

PART IV: OPPOSITIONS AND COMMENTS

Within 30 days after service of this Claim, Commission Staff or any other party may file a response to the Claim (see § 1804(c))

A. Opposition: Did any party oppose the Claim?	No.
B. Comment Period: Was the 30-day comment period waived (see Rule 14.6(c)(6))?	Yes.

FINDINGS OF FACT

- 1. Natural Resources Defense Council has made a substantial contribution to D.15-09-023.
- 2. The requested hourly rates for Natural Resource Defense Council's representatives are comparable to market rates paid to experts and advocates having comparable training and experience and offering similar services.
- 3. The claimed costs and expenses, as adjusted herein, are reasonable and commensurate with the work performed.
- 4. The total of reasonable compensation is \$40,292.50.

CONCLUSION OF LAW

1. The Claim, with any adjustment set forth above, satisfies all requirements of Pub. Util. Code §§ 1801-1812.

ORDER

- 1. Natural Resources Defense Council shall be awarded \$40,292.50.
- 2. Within 30 days of the effective date of this decision, Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, Southern California Gas Company, and each of the Class A Water utilities, shall pay Natural Resources Defense Council their respective shares of the

award, based on their California-jurisdictional electric, gas and water revenues for the 2015 calendar year, to reflect the year in which the proceeding was primarily litigated. Payment of the award shall include compound interest at the rate earned on prime, three-month non-financial commercial paper as reported in Federal Reserve Statistical Release H.15, beginning February 7, 2016 the 75th day after the filing of Intervenor's request, and continuing until full payment is made.

- 3. The comment period for today's decision is waived.
- 4. This decision is effective today.

Dated	, at San Francisco, C	California

APPENDIX

Compensation Decision Summary Information

Compensation Decision:	Modifies Decision? No		
Contribution Decision(s):	D1509023		
Proceeding(s):	R1312011		
Author:	ALJ Division		
Payer(s):	Pacific Gas and Electric Company, Southern California Edison		
	Company, San Diego Gas & Electric Company, Southern California		
	Gas Company, and Class A Water utilities.		

Intervenor Information

Intervenor	Claim	Amount	Amount	Multiplier?	Reason	
	Date	Requested	Awarded		Change/Disallowance	
Natural	11/24/15	\$42,202.25	\$40,292.50	N/A	Reduction of hours for	
Resources					excessive time	
Defense Council					claimed for	
(NRDC)					coordination	

Advocate Information

First Name	Last Name	Type	Intervenor	Hourly Fee Requested	Year Hourly Fee Requested	Hourly Fee Adopted
Ed	Osann	Expert	NRDC	\$280	2015	\$280
Ed	Osann	Expert	NRDC	\$280	2014	\$280
Ben	Chou	Expert	NRDC	\$180	2014	\$180
Ben	Chou	Expert	NRDC	\$180	2015	\$180
Forest	Kaser	Expert	NRDC	\$190	2014	\$190
Heidi	Hauenstein	Expert	NRDC	\$185	2015	\$185
Daniela	Urigwe	Expert	NRDC	\$140	2015	\$140

(END OF APPENDIX)